

REFERENCE TITLE: tax assessment of retention basins

State of Arizona  
House of Representatives  
Forty-ninth Legislature  
First Regular Session  
2009

## **HB 2540**

Introduced by  
Representative Biggs

AN ACT

AMENDING TITLE 42, CHAPTER 13, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 11; RELATING TO PROPERTY TAX ASSESSMENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2       Section 1. Title 42, chapter 13, Arizona Revised Statutes, is amended  
3 by adding article 11, to read:

4           ARTICLE 11. COMMERCIAL AND INDUSTRIAL RETENTION BASINS

5           42-13501. Exclusive method of identifying and valuing  
6           commercial and industrial retention basins

7       THIS ARTICLE ESTABLISHES THE EXCLUSIVE METHOD FOR IDENTIFYING AND  
8 DETERMINING THE VALUATION OF REAL PROPERTY THAT IS ENGINEERED, DESIGNED AND  
9 LANDSCAPED SPECIFICALLY AS A RETENTION BASIN FOR THE EXCLUSIVE PURPOSE OF  
10 RECEIVING, DRAINING AND RETAINING WATER RUNOFF FROM COMMERCIAL AND INDUSTRIAL  
11 PROPERTY.

12           42-13502. Identifying retention basins

13           A. THE COUNTY ASSESSOR SHALL IDENTIFY RETENTION BASINS FOR VALUATION  
14 UNDER THIS ARTICLE.

15           B. REAL PROPERTY MUST MEET ALL OF THE FOLLOWING REQUIREMENTS TO BE  
16 CONSIDERED A RETENTION BASIN:

17           1. THE PROPERTY MUST BE OWNED BY A NONPROFIT ASSOCIATION OF OWNERS OF  
18 THE COMMERCIAL OR INDUSTRIAL PROPERTY COMPLEX.

19           2. THE ASSOCIATION MUST BE ORGANIZED AND OPERATED TO PROVIDE FOR THE  
20 MAINTENANCE OF THE RETENTION BASIN.

21           3. ALL OWNERS OF THE COMMERCIAL OR INDUSTRIAL PROPERTY COMPLEX MUST BE  
22 REQUIRED TO BE AND MUST ACTUALLY BE MEMBERS OF THE ASSOCIATION OR MUST BE  
23 OBLIGATED TO PAY MANDATORY ASSESSMENTS THAT INCLUDE THE COSTS OF MAINTAINING  
24 ONE OR MORE RETENTION BASINS THAT SERVE THE COMPLEX.

25           C. AS A CONDITION FOR VALUATION UNDER THIS ARTICLE, THE USE OF THE  
26 PROPERTY AS A RETENTION BASIN MUST BE ESTABLISHED BY A RECORDED DOCUMENT THAT  
27 EVIDENCES THE LEGAL REQUIREMENT FOR THE USE OF THE PROPERTY AS A RETENTION  
28 BASIN, SUCH AS A RECORDED EASEMENT, PLAT, COVENANT, CONDITION, RESTRICTION OR  
29 DECLARATION OR AN AGREEMENT WITH THE MUNICIPALITY OR COUNTY IN WHICH THE  
30 PROPERTY IS LOCATED IDENTIFYING THE PROPERTY AND DESIGNATING ITS USE AS A  
31 RETENTION BASIN.

32           42-13503. Computing valuation

33           A. THE VALUATION OF A RETENTION BASIN SHALL BE MADE ON THE ASSUMPTION  
34 THAT NO OTHER PROPERTY USE IS POSSIBLE.

35           B. THE REAL PROPERTY AND ANY ANCILLARY IMPROVEMENTS THAT ARE USED AS A  
36 RETENTION BASIN SHALL BE VALUED AT FIVE HUNDRED DOLLARS PER PARCEL.

37           Sec. 2. Transition

38           This act does not affect:

39           1. The validity, collection or enforcement of outstanding tax  
40 liabilities assessed against retention basins and incurred under prior law.

41           2. The validity and application of property valuations determined  
42 pursuant to law in effect before the effective date of this act and applied  
43 for use in the 2009 tax year.

44           Sec. 3. Retroactivity

45           This act is effective retroactively to from and after December 31, 2008  
46 and applies beginning with the 2009 valuation year.